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TO: OVERSIGHT BOARD MEMBERS **DATE:** JULY 8, 2015

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARD:** 5

SUBJECT: PURCHASE AND SALE AGREEMENT WITH CHARLES KEYES AND EDELGARD SCHWEITZER FOR THE DISPOSITION OF IMPROVED SUCCESSOR AGENCY-OWNED PROPERTY LOCATED AT 3761 VAN BUREN BOULEVARD, IDENTIFIED AS ASSESSOR PARCEL NUMBER 233-022-081

ISSUE:

The issue for Oversight Board consideration is whether to adopt a resolution authorizing the Successor Agency to enter into a Purchase and Sale Agreement with Charles Keyes and Edelgard Schweitzer for the disposition of improved Successor Agency-owned property located at 3761 Van Buren Boulevard, identified as Assessor Parcel Number 233-022-081, in accordance with the Successor Agency's Long Range Property Management Plan.

RECOMMENDATION:

That the Oversight Board:

1. Adopt a resolution (Attachment 1) authorizing execution of a Purchase and Sale Agreement in the amount of \$80,000 (Attachment 2) with Charles Keyes and Edelgard Schweitzer for the sale of improved Successor Agency-owned property located at 3761 Van Buren Boulevard, identified as Assessor Parcel Number 233-022-081, in accordance with the Successor Agency's Long Range Property Management Plan; and,
2. Authorize the City Manager or his designee to execute the Purchase and Sale Agreement with Charles Keyes and Edelgard Schweitzer, including making minor non-substantive changes, and to sign all documents and instructions necessary to complete the transaction.

BACKGROUND:

Pursuant to the dissolution process of Assembly Bills x1 26 and 1484, the Successor Agency completed its Long Range Property Management Plan (Plan) which governs the disposition and use of real property assets of the former Redevelopment Agency of the City of Riverside. In the Plan, the Successor Agency recommended the sale of improved land located at 3761 Van Buren Boulevard, identified as Assessor Parcel Number 233-022-081. The Plan was approved

by the State Department of Finance (DOF) on March 6, 2014.

In the early 1980's, the former Redevelopment Agency acquired the subject property for the purpose of providing necessary public parking in the historic Arlington Village Area and revitalizing the Arlington Redevelopment Project Area.

On June 7, 1983, the Redevelopment Agency and Arlington Devco, Inc. entered into a Lease Agreement for the subject property, which will expire on April 11, 2035. As part of the Lease Agreement, Arlington Devco, Inc. agreed to develop the subject property into a public parking lot and an 8,000 square foot neighborhood commercial center and compensate the former Redevelopment Agency in the amount of \$1 a year for the entire lease term. Arlington Devco, Inc. completed the development of the public parking lot and commercial center in 1984. The public parking lot is connected to two adjacent City-owned public parking lots and the commercial center currently houses several neighborhood retail uses and has contributed towards the revitalization of the Arlington Village Area. Furthermore, as a condition of the sale of the subject property, Charles Keyes and Edelgard Schweitzer have agreed to record a covenant and agreement restricting and continuing the use of the parking lot portion of the subject property as a public parking lot and put future owners, lessees, successors and assigns on notice of said restriction.

As the last surviving members of Arlington Devco, Inc., Charles Keyes and Edelgard Schweitzer are the most logical buyers for the subject property. As such, in mid-2014, staff received purchase interest from Charles Keyes and Edelgard Schweitzer for the acquisition of the subject property subject to an appraisal. Shortly thereafter, staff procured an appraisal from Integra Realty Resources (dated September 25, 2014), which indicated that \$80,000 represents the fair market value for the subject property.

The Successor Agency/City Council approved the Purchase and Sale Agreement on June 23, 2015. With the aforementioned in mind, staff recommends that the Oversight Board adopt a resolution authorizing execution of a Purchase and Sale Agreement with Charles Keyes and Edelgard Schweitzer for the sale of improved Successor Agency-owned property located at 3761 Van Buren Boulevard, identified as Assessor Parcel Number 233-022-081, in accordance with the Successor Agency's Long Range Property Management Plan.

Prepared by: Emilio Ramirez, Development Director
Approved as to form: Gary G. Geuss, Successor Agency General Counsel

Attachments:

1. Resolution
2. Purchase and Sale Agreement